

LAKESIDE UNION SCHOOL DISTRICT

Proposition V

(This proposition will appear on the ballot in the following form.)

PROP V

Shall Lakeside Union Elementary School District improve and equip local elementary and middle schools to help students meet and exceed high academic standards, through projects including: improving classrooms/labs for teaching science, math, art and English; upgrading schools for today's computer learning technology; repairing outdated wiring, plumbing, heating, air conditioning; improving safety; by issuing \$79.55 million in bonds, at legal interest rates, with annual financial audits, citizens' oversight, all funds remaining local, and no funds for administrator salaries?

This proposition requires approval by 55%
of the voters voting on the proposition.

Full text of this proposition follows the arguments and rebuttals.

COUNTY COUNSEL IMPARTIAL ANALYSIS

This proposition, if approved by 55% of the voters voting on the proposition, would authorize the Lakeside Union School District ("District") to issue and sell up to \$79,550,000 in general obligation bonds. The sale of these bonds by the District will raise money for the District, and represents a debt of the District. In exchange for the money received from the bondholders, the District promises to pay the bondholders an amount of interest for a certain period of time, and to repay the loan on the maturity date.

Proceeds from the sale of bonds authorized by this proposition may be used by the District only for the construction, reconstruction and/or rehabilitation of its school facilities, including the furnishing and equipping of its school facilities, acquisition, or lease of real property for its school facilities and construction management by District personnel.

The interest rate on any bond, which is established at the time of bond issuance, cannot exceed 12% per annum. The final maturity date of any bond could be no later than 25 years after the date of bonds issued pursuant to the Education Code or not later than 40 years after the date of bonds issued pursuant to the Government Code. Principal and interest on the bonds would be paid by revenue derived from an annual tax levied on taxable property within the District in an amount sufficient to pay the interest as it becomes due and to provide a fund for payment of the principal on or before maturity.

California Constitution Article XIII A exempts from the one percent property tax rate limitation ad valorem taxes to pay the interest and redemption charges on any bonded indebtedness for the acquisition or improvement of real property, including the furnishing and equipping of school facilities, when approved by 55% of the voters if: (a) the proceeds from the sale of the bonds are used only for the purposes specified, (b) the District, by evaluating safety, class size reduction, and information technology, has approved a list of specific projects to be funded, (c) the District will conduct an annual, independent performance audit, and (d) the District will conduct an annual, independent financial audit. If a bond measure is approved by 55% of the voters, state law requires the governing board of the District to establish an independent citizens' oversight committee. The District has made this ballot proposition subject to these requirements.

A "yes" vote is a vote in favor of authorizing the Lakeside Union School District to issue and sell \$79,550,000 in general obligation bonds.

A "no" vote is a vote against authorizing the Lakeside Union School District to issue and sell \$79,550,000 in general obligation bonds.

TAX RATE STATEMENT (SECTIONS 9400-9404 OF THE ELECTIONS CODE)

To: The voters voting in the November 4, 2008 election on the question of the issuance of \$79,550,000 General Obligation Bonds of the Lakeside Union School District.

You are hereby notified in accordance with the Elections Code of the State of California of the following:

1. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the first sale of bonds (Fiscal Year 2009-2010), based on assessed valuations available at the time of the election and taking into account estimated future growth, is the following:
\$.03000 per \$100 of assessed valuation, which equates to \$30.00 per \$100,000 of assessed valuation.
2. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the last sale of bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:
\$.03000 per \$100 of assessed valuation, which equates to \$30.00 per \$100,000 of assessed valuation.

First fiscal year after last sale of bonds: 2022-2023

3. The best estimate from official sources of the highest tax rate which would be required to be levied to fund principal and interest payments on the bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:
\$.03000 per \$100 of assessed valuation, which equates to \$30.00 per \$100,000 of assessed valuation.

Year of highest tax rate: Tax is projected to be the same every year.

Submittal of the foregoing statement has been approved by the Lakeside Union School District.

Stephen B. Halfaker, Ed.D.
Superintendent

ACCOUNTABILITY MEASURES

As required by Section 53410 of the Government Code, the following accountability measures are hereby made a part of the District's Bond Proposition V (the "Proposition"):

- (a) The specific purpose of the bonds is set forth in the Full Text of the Proposition;
- (b) The proceeds from the sale of the District's bonds will be used only for the purposes specified in the Proposition, and not for any other purpose;
- (c) The proceeds of the Bonds will be deposited into a Building Fund to be held by the San Diego County Treasurer, as required by the California Education Code; and
- (d) The Superintendent of the District shall cause an annual report to be filed with the Board of Trustees of the District not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in the Proposition, as required by Sections 53410 and 53411 of the Government Code. The Independent Citizens' Oversight Committee shall be the principal author of the report, with staff assistance as may be requested, of its required annual report to the public. The District shall provide technical, production and distribution support.

ARGUMENT IN FAVOR OF PROPOSITION V

Please vote YES on Proposition V to keep Lakeside Union schools great.

We are proud of the way that our parents, teachers, community and the Lakeside Union School District work together to provide our kids a quality education. But the state's ongoing budget cuts for education have deeply hurt funding for our local elementary and middle schools.

As state funding for schools dries up, our kids' education is being threatened. To continue giving Lakeside students the quality education they deserve, we need to pass Proposition V.

Proposition V is a school bond that will ensure better classrooms and higher test scores for our children. Every penny will be used in Lakeside for its schools. No Proposition V funds can be taken away by the state.

Proposition V will make necessary repairs and upgrades to our neighborhood schools to ensure quality education and safer schools.

Projects include:

- Improving and equipping science labs
- Repairing school wiring, plumbing, heating and air conditioning systems for cost savings and improved efficiency
- Upgrading elementary and middle school classrooms with today's learning technology for quality teaching of math, science, reading and writing

In addition, Proposition V will improve safety by:

- Partnering with the Lakeside Fire Protection District to support emergency communications
- Installing security cameras, fire alarms and emergency communication systems

The bond contains tough taxpayer safeguards – developed with the guidelines of the San Diego County Taxpayers Association – to ensure your tax dollars are spent as promised for Lakeside schools. By law, every penny will be spent on improving schools and learning and will not be spent on administrator salaries. There will be an independent citizens' oversight committee and strict audits of Proposition V.

Please join us in voting YES on Proposition V.

BRONWEN ANDERS
Community Pediatrician

HAROLD HILLIKER
Business Owner

STEVEN E. MENELEE
President
Lakeside Chamber of Commerce

BETTY McMILLEN
Vice-President
Historical Society

MARK T. BAKER
Fire Chief, Lakeside Fire Protection District

REBUTTAL TO THE ARGUMENT IN FAVOR OF PROPOSITION V

No rebuttal to the argument in favor of the proposition was filed
in the office of the Registrar of Voters.

ARGUMENT AGAINST PROPOSITION V

Madness reigns in San Diego County. In our deepening recession, we have an amazing SEVEN school bonds on this November's ballots. Plus a countywide parcel tax. Plus three city sales tax measures.

Then comes the state seeking more of our earnings. Multibillion dollar bonds, plus a push to raise the statewide sales and income tax.

Think you are undertaxed? Neither do we. But politicians refuse to control spending, and then tell us that higher taxes are good for what ails us.

There are only two times politicians want to raise taxes – good times, and not so good times. This is one of those times.

"Tax Freedom Day" is calculated by assuming you pay all your taxes first, and then start working for yourself. According to the Tax Foundation, in 1994 Californians had the 28th worst Tax Freedom Day. Now we are ranked the 4th worst state.

It's gotten so bad that we tax fighters don't have the time or resources to write detailed ballot arguments against each school bond. Nor, in this recession, should we need to.

School districts used to pitch their bonds to voters for the expanding student populations. But for years, most districts have had stable, or more often DECLINING enrollments. Yet districts have continued to spend like crazy, ignoring declining needs, and then claim they don't have enough money.

According to the NEA, California public school teachers are the highest paid in the nation. With declining enrollments, the district, county and state education bureaucracies are overpaid, and underemployed.

Meanwhile private sector workers are suffering. Each year California's domestic net out-migration is about a quarter million people. These are primarily highly productive workers and retirees who are fleeing California. Higher taxes will only accelerate this process.

This year, vote NO on ALL bonds and tax increases.

MICHAEL BENOIT
Chair, Libertarian Party of San Diego County

RICHARD RIDER
Chairman, San Diego Tax Fighters

TONY KRVARIC
Chairman, Republican Party of San Diego County

REBUTTAL TO THE ARGUMENT AGAINST PROPOSITION V

Proposition V is about one thing – **making sure that Lakeside children have a BETTER education in SAFER schools.** The children of the Lakeside community deserve a quality education that meets today's safety and technological standards.

Proposition V contains tough taxpayer safeguards – **developed with the guidelines of the San Diego County Taxpayers Association** – to ensure your tax dollars are spent as promised for Lakeside schools. By law, every penny will be spent on improving schools and learning. Funds will not be spent on salaries or benefits for District personnel. There will be an independent citizens' oversight committee and strict audits of Proposition V.

The schools in Lakeside are aged and deteriorating. Lakeside Middle School was last remodeled in 1935 and expanded in 1959. Proposition V would allow repairs to 12 existing school sites. It will repair school wiring, plumbing, heating and air conditioning systems for cost savings and improved efficiency.

The Lakeside Union School District has not passed a bond in over 50 years. They have been operating and providing a good education for this community with a lean budget; but due to state budget cuts to education, they need your help.

Proposition V will:

- Improve and equip science labs
- Upgrade elementary and middle school classrooms with today's learning technology for quality teaching of math, science, reading and writing
- Install security cameras, fire alarms and emergency communication systems

This is not about the other propositions, **this is about Lakeside and what our children need.**

HAROLD HILLIKER
Rancher

ABIGAIL J. ANDERS
Lakeside Chamber's Citizen of the Year

HOLLY FERRANTE
Long-time Lakeside Resident

BRIAN K. STEARNS, SR.
Owner, Cups & Cones

LORIE MANISS
Lakeside Council PTA President

APPENDIX A

BALLOT PROPOSITION FULL TEXT

BOND AUTHORIZATION

By approval of this proposition by at least 55 percent of the registered voters voting on the proposition, the District will be authorized to issue and sell bonds of up to \$79.55 million in aggregated principal at interest rates below the legal limit and to provide financing for the specific school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this proposition in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be in compliance with the requirements of Article XIII A, Section 1(b)(3), of the State Constitution and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following.)

Evaluation of Needs. The Board has identified detailed facilities needs of the District and has determined which projects to finance from a local bond at this time. The Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens' Oversight Committee. The Board shall establish an Independent Citizens' Oversight Committee under Education Code Section 15278 and following to ensure bond proceeds are expended only on the school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the Board.

Performance Audits. The Board shall conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The Board shall conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

Special Bond Proceeds Account: Annual Report to Board. Upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent of the District shall cause a report to be filed with the Board annually, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent shall determine and may be incorporated in the annual budget, audit, or another appropriate routine report to the Board.

FURTHER SPECIFICATIONS

No Administrator Salaries. Proceeds from the sale of bonds authorized by this proposition shall be used only for the construction, reconstruction and/or rehabilitation of school facilities including the furnishing and equipping of school facilities or acquisition or lease of real property for school facilities and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

BOND PROJECT LIST

The Bond Project List shown below is a part of the ballot proposition and must be reproduced in any official document required to contain the full statement of the bond proposition.

Evaluation of Needs. As required by Article XIII A of the California Constitution, the Board of Trustees of the District has certified that it has evaluated safety, class size reduction and information technology needs in developing the list of school facilities projects shown below.

Projects Subject to Available Funding. Approval of this Bond proposition does not guarantee that the proposed project or projects in the District that are the subject of bonds under the proposition will be funded beyond the local revenues generated by the proposition. If qualified state matching funds become available, they will be used for and applied to the Bond Project List. The District's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

APPENDIX A (Continued)

Scope of Projects. Bond proceeds will be expended to modernize, replace, renovate, construct, equip, furnish, rebuild, supplement and otherwise improve District facilities as described below. The specific school facilities projects which are described below include all related and incidental costs, including costs of design, engineering, architect and other professional services, site preparation, utilities, landscaping and other incidental costs, and construction management. Bond proceeds may also be expended to acquire and install furniture, fixtures and equipment at any classrooms and other facilities of the District. The District may alter the scope and nature of any of the specific projects, which are described below as required by conditions that arise during the course of design and construction, including unforeseen conditions such as dry rot, mold and faulty engineering.

APPENDIX A-1

SCHOOL FACILITIES PROJECTS ELIGIBLE TO BE FUNDED WITH PROCEEDS OF BONDS

The Governing Board of Lakeside Union Elementary School District has evaluated the District's need to acquire, construct, improve and equip its existing facilities to upgrade safety, security and technology at District sites and to meet the educational needs of its citizens. These projects will provide upgrading of District schools and facilities and will move the District closer to helping students meet and exceed high academic standards.

The general obligation bond funds of the Lakeside Union Elementary School District ("District") would be used for the District's public schools and school projects to modernize, replace, renovate, construct, equip, furnish, rebuild, supplement and otherwise improve District facilities to meet student educational needs through specified projects as described in the following list, which include generally expansion of technology, communications and electrical systems, supporting infrastructure (such as safety and security and communication systems, heating, ventilation and air conditioning (HVAC) systems and plumbing, energy, electrical and technology systems), site improvements and, to the extent necessary, making District schools and school facilities compliant with the Americans with Disabilities Act (ADA), as further described herein. Specific projects and project costs as applicable to school sites are further described herein. Specific items are presented to provide an example and are not intended to limit the generality of a broader description of authorized projects and general obligation bond funds may facilitate the prepayment of a possible future interim financing of an authorized project.

Elementary School Projects

Lakeside Farms:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish science labs; equip and furnish classrooms to modern standards, including instructional technology
- **Construction:** improve existing multi-purpose classroom for up-to-date safety and instructional standards, bathroom improvements, outdoor classroom
- **Energy Improvements:** improve energy efficiency
- **Miscellaneous Facility Needs:** school site and playground improvements to improve cost-effectiveness, energy efficiency and student safety
- **New Construction:** new portable classroom for Arts & Science
- **Safety and Security:** install security cameras, replacement of fencing, emergency call out system, improve outside lighting

Lakeview:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish science labs; equip and furnish classrooms to modern standards, including instructional technology
- **Construction:** improve existing multi-purpose classroom for up-to-date safety and instructional standards, bathroom improvements, outdoor classroom
- **Energy Improvements:** improve energy efficiency
- **Miscellaneous Facility Needs:** school site and playground improvements to improve cost-effectiveness, energy efficiency and student safety
- **New Construction:** new portable classroom for Arts & Science and new multi-purpose classroom
- **Safety and Security:** install security cameras, replacement of fencing, emergency call out system, improve outside lighting

APPENDIX A-1 (Continued)

Lemon Crest:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish science labs; equip and furnish classrooms to modern standards, including instructional technology
- **Construction:** improve existing multi-purpose classroom for up-to-date safety and instructional standards, bathroom improvements, outdoor classroom
- **Energy Improvements:** improve energy efficiency
- **Miscellaneous Facility Needs:** school site and playground improvements to improve cost-effectiveness, energy efficiency and student safety
- **New Construction:** new portable classroom for Arts & Science
- **Safety and Security:** install security cameras, replacement of fencing, emergency call out system, improve outside lighting

Lindo Park:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish science labs; equip and furnish classrooms to modern standards, including instructional technology
- **Construction:** improve existing multi-purpose classroom for up-to-date safety and instructional standards, bathroom improvements, outdoor classroom
- **Energy Improvements:** improve energy efficiency
- **Miscellaneous Facility Needs:** school site and playground improvements to improve cost-effectiveness, energy efficiency and student safety
- **New Construction:** new portable classroom for Arts & Science
- **Safety and Security:** install security cameras, replacement of fencing, emergency call out system, improve outside lighting

Riverview:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish science labs; equip and furnish classrooms to modern standards, including instructional technology
- **Construction:** improve existing multi-purpose classroom for up-to-date safety and instructional standards, bathroom improvements, outdoor classroom
- **Energy Improvements:** improve energy efficiency
- **Miscellaneous Facility Needs:** school site and playground improvements to improve cost-effectiveness, energy efficiency and student safety
- **New Construction:** new portable classroom for Arts & Science
- **Safety and Security:** install security cameras, replacement of fencing, emergency call out system, improve outside lighting

Winter Gardens:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish science labs; equip and furnish classrooms to modern standards, including instructional technology
- **Construction:** improve existing multi-purpose classroom for up-to-date safety and instructional standards, bathroom improvements, outdoor classroom
- **Energy Improvements:** improve energy efficiency
- **Miscellaneous Facility Needs:** school site and playground improvements to improve cost-effectiveness, energy efficiency and student safety
- **New Construction:** new portable classroom for Arts & Science and new outside Arts education classroom with cover
- **Safety and Security:** install security cameras, replacement of fencing, emergency call out system, improve outside lighting

APPENDIX A-1 (Continued)

Middle School Projects

Lakeside Middle:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish new science labs, furnish classrooms and music room to modern standards, including instructional equipment and technology
- **Construction:** bathroom improvements, improve existing multi-purpose classroom, modernize existing facility, outdoor classroom, upgrade science lab classrooms, upgrade locker room and physical education facilities for instruction, student health and safety, and energy/water efficiency
- **Miscellaneous Facility Needs:** school site improvements to improve cost-effectiveness, energy efficiency and student safety
- **Safety and Security:** upgrade security camera system, upgrade fire alarm panel, replacement of fencing, emergency call out system and improve outside lighting

Tierra del Sol:

- **Technology:** modernize technology infrastructure
- **Classroom Improvements:** expand, equip and furnish new science labs, furnish classrooms and music room to modern standards, including instructional equipment and technology
- **Construction:** bathroom improvements, improve existing multi-purpose classrooms, modernize existing facility, outdoor classroom, upgrade science lab classroom, upgrade locker room and physical education facilities for instruction, student health and safety, and energy/water efficiency
- **Miscellaneous Facility Needs:** school site improvements to improve cost-effectiveness, energy efficiency and student safety
- **Safety and Security:** upgrade security camera system, upgrade fire alarm panel, replacement of fencing, emergency call out system and improve outside lighting
- **Community-Use Joint Project:** build community gymnasium with YMCA

Other School Facility Projects

Barona Indian Charter:

- **Technology:** modernize technology infrastructure

Central Kitchen:

- **Energy Improvements:** HVAC with energy management
- **Miscellaneous Facility Needs:** upgrade facility, improve efficiency of lunch delivery vehicle

Community:

- **Construction:** renovate fire department for conversion to District use as multi-purpose classrooms
- **Safety and Security:** partner with local fire district to improve communication technology infrastructure
- **Technology:** integrate with Lakeside River Park

District Office:

- **Miscellaneous Facility Needs:** furnish, modernize technology and improve safety and security

East County Academy of Learning:

- **Construction:** bathroom improvements, outdoor classroom
- **Miscellaneous Facility Needs:** new shade structure, new school sign
- **Safety and Security:** install security cameras, improve outside lighting
- **Technology:** modernize technology infrastructure

Maintenance & Operations:

- **Miscellaneous Facility Needs:** improve efficiency of District maintenance vehicles
- **Safety and Security:** install security cameras

River Valley High:

- **New Construction:** asphalt paving to improve safety and traffic flow near the school site
- **Technology:** modernize technology infrastructure